MIC

Union of Myanmar Form (2) Sr. No. 1401 Dated 18.12.96 Myanmar Investment Commission

The Myanmar Investment Commission

PERMIT

Permit No. 238 /96 Date 18th DECEMBER 1996

The Myanmar Investment Commission issues this Permit under Section 10 of the Union of Myanmar Foreign Investment Law -

(a) Name of Promoter MR. ADIREK SRIPRATAK

(b) Citizenship THAI.

(c) Address 3133/27 SUKHUMVIT 101/2, BANG-NGA, PRAKHANONG, BANGKOK, THAILAND

(d) Name and address of principal organization BANGKOK LIVESTOCK PROCESSING COMPANY LIMITED, 528/2-11 SUKHUMVIT 22, KLONGTON, KLONGTOEY, BANGKOK 10110, THAILAND

(e) Place of incorporation BANGKOK, THAILAND

(f) Type of business in which investment is to be made FEEDMILL, BREEDER FARM, HATCHERY FARM AND CONTRACT FARMING

(g) Place (s) at which investment is permitted NGASUTAUNG(HLEGYU TOWNSHIP) AND PYIN MA BIN (MINGALARDON TOWNSHIP), YANGON DIVISION.

(h) Amount of foreign capital US$ 9.492 MILLION

(i) Period for bringing in foreign capital WITHIN (24) MONTHS FROM THE DATE OF INCORPORATION

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US $ 9.492 MILLION

(k) Permitted duration of investment 25 YEARS

(l) Name of the economic organization to be formed in Myanmar MYANMAR C.P LIVESTOCK COMPANY LIMITED

[signature]

Chairman

The Myanmar Investment Commission

ပြည်ထောင်စုမြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
စာအမှတ် ၁၄၀၁
ရက်စွဲ ၁၈.၁၂.၉၆

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၂၃၇ / ၉၆ ၁၉၉၆ ခုနှစ်၊ ဒီဇင်ဘာ လ ၁၈ ရက်။

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၀ အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် MR. ADIREK SRIPRATAK

(ခ) မည်သည့်နိုင်ငံသား THAI

(ဂ) နေရပ်လိပ်စာ 3133/27 SUKHUMVIT 101/2, BANG-NGA, PRAKHANONG, BANGKOK, THAILAND

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ BANGKOK LIVESTOCK PROCESSING COMPANY LIMITED, 528/2-11 SUKHUMVIT 22, KLONGTON, KLONGTOEY, BANGKOK 10110, THAILAND

(င) ဖွဲ့စည်းရာအရပ် BANGKOK, THAILAND

(စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား တိရစ္ဆာန်အစာစပ်စက်ရုံတည်ဆောက်ခြင်း၊ မျိုးကြက်မွေးမြူခြင်း၊ ကြက်ဥဖောက်စက်လုပ်ငန်းနှင့်မွေးဖက်မွေးမြူခြင်းလုပ်ငန်းများ

(ဆ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) ငါးဆူတောင် (လှည်းကူးမြို့နယ်) နှင့်ပျဉ်းမပင် (မင်္ဂလာဒုံမြို့နယ်)၊ ရန်ကုန်တိုင်း

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း အမေရိကန်ဒေါ်လာ ၁၉.၄၉၂ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကုမ္ပဏီဖွဲ့စည်းပြီး (၂၄) လအတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်း ပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၁၉.၄၉၂ သန်း နှင့်ညီမျှသောမြန်မာကျပ်ငွေ

(ဋ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့်သက်တမ်း ၂၁ နှစ်

(ဌ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေးအဖွဲ့အစည်းအမည် MYANMAR C.P LIVESTOCK COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

GOVERNMENT OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

653 / 691, Merchant Street, Yangon.

Our ref : Ya Ka-1/372/96 (1401)
Dated : 18th December 1996

Tel : 272219, 272855
Fax : 095-01-282101

Subject : Decision of the Myanmar Investment Commission on the Proposal for "Feedmill, Breeder Farm, Hatchery Farm and Contract Farming" under the name of "Myanmar C.P Livestock Company Limited".

Reference: Livestock, Feedstuff and Milk Product Enterprise letter No. Nya Ka Ma-2/(421/96) dated 6-11-96.

1. The Myanmar Investment Commission, at its meeting 18/96 held on 29-11-96 had reviewed the proposal for investment in "Feedmill, Breeder Farm, Hatchery Farm and Contract Farming" under the name of Myanmar C.P Livestock Company Limited" submitted by Bangkok Livestock Processing Company Limited as a wholly foreign owned investment. After careful review, it was deliberated that the proposed project be approved in principle for implementation and the proposal be submitted to the Cabinet meeting for final approval.

2. The Cabinet, at its meeting 41/96 held on 11-12-96 resolved to permit the implementation of the said project. Hence, the "Permit" is herewith issued in accordance with Chapter VI, Section 10 of the Union of Myanmar Foreign Investment Law and Chapter VI, Rule 13 of the Procedures relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 15(Fifteen) years and extendible for another two 5(Five) year terms upon mutual agreement between Livestock, Feedstuff and Milk Product Enterprise and Myanmar C.P Livestock Company Limited subject to the approval of Myanmar Investment Commission. At the end of the lease period, Myanmar C.P Livestock Company Limited shall transfer the land, factory buildings and other buildings to the Livestock, Feedstuff and Milk Product Enterprise within 3(Three) months in good condition, ground damages having been refilled or repaired.

4. Bangkok Livestock Processing Company Limited shall provide the Performance Bank Guarantee to the amount of US $ 70,000 (United States Dollars Seventy Thousand Only) in favour of the Livestock, Feedstuff and Milk Product Enterprise within 30(Thirty) days from the date of signing of the One Hundred Percent Foreign Investment Contract.

5. Myanmar C.P Livestock Company Limited shall provide US $ 10,000 (United States Dollars Ten Thousand Only) per annum for management fee to Livestock, Feedstuff and Milk Product Enterprise and that payment shall be made within 30(Thirty) days of each financial year.

6. Myanmar C.P Livestock Company Limited shall pay the lease rent to the Livestock, Feedstuff and Milk Product Enterprise at the following rates.

(a) Feedmill 10 Acres at US $ 3.00 per square metre per year
(b) Breeder Farm 50 Acres at US $ 0.50 per square metre per year
(c) Hatchery Farm 5 Acres at US $ 2.00 per square metre per year

7. The annual rent shall be paid on monthly basis. The rent shall be reviewed every 5(Five) years and the increase of the rent shall not be more than 15(Fifteen) percent of the preceding annual rent.

8. In issuing this "Permit" the Commission has granted the following exemptions and reliefs:

(a) As per Section-21(a), exemption from income-tax up to three consecutive years from the year of commencement of commercial operation.
(b) As per Section-21(b), regarding exemption from income-tax on profits of the business if they are maintained in a reserve fund and re-invested therein within one year after the reserve is made, Myanmar C.P Livestock Company Limited shall apply for such exemption only after 3-year tax holiday period.
(c) As per Section-21(c), Myanmar C.P Livestock Company Limited shall be granted to accelerate depreciation in respect of machinery, equipment, building or other capital assets used in the business to the extent of the original value for the purpose of income-tax assessment. However, Myanmar C.P Livestock Company Limited shall have to apply to the Commission such rates of depreciation.
(d) As per Section-21(e), Myanmar C.P Livestock Company Limited shall have the right to pay income-tax payable to the State on behalf of foreigners who have come from abroad and are employed in the enterprise and the right to deduct such payment from the assessable income.

(e) As per Section-21(f), the Commission has also approved the right to pay income-tax on the income of the above-mentioned foreigners at the rates applicable to the citizens residing within the country.

(f) As per Section-21(g), regarding the right to deduct from the assessable income such expenses incurred in respect of research and development relating to the enterprise which are actually required and are carried out within the State, Myanmar C.P Livestock Company Limited shall apply, upon actual performance of such research and development programme, only after 3-year tax holiday period.

(g) As per Section-21(h), regarding right to carry forward and set-off up to three consecutive years from the year the loss is sustained following the enjoyment of exemption from income-tax, Myanmar C.P Livestock Company Limited shall file the case, if any, to the Ministry of Finance and Revenue with regard to Section-4 of the Income Tax Amendment Law, 1991.

(h) As per Section-21(i), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which they are imported as they are actually required for use during the period of construction.

(i) As per Section-21(j), exemption from customs duty and all other internal taxes on such raw materials and additional import of machinery, equipment and spare parts, which are actually required for the business shall be granted within three years of commercial operation following the period of construction. However, such imports shall be subject to the approval endorsed by the Ministry of Livestock Breeding and Fisheries.

9. Bangkok Livestock Processing Company Limited shall have to sign One Hundred Percent Foreign Investment Contract and Lease Agreement with Livestock, Feedstuff and Milk Product Enterprise, Ministry of Livestock Breeding and Fisheries. After signing such Agreements, (5) copies each of those shall have to be forwarded to the Commission.

10. Myanmar C.P Livestock Company Limited, in consultation with the Department of Company Administration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

11. Myanmar C.P Livestock Company Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

12. The official date of operation shall be reported to the Commission.

13. The Commission approves periodical appointments of foreign experts and technicians from abroad as per Proposal. Myanmar C.P Livestock Company Limited shall have to consult with Directorate of Labour, Ministry of Labour for appointment of such foreign experts and technicians.

14. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provision under Section-24 of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner.

(a) The amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened.

(b) The detailed lists of the type and value of foreign capital defined under Section-2(h) of the Law, other than foreign currency, to the Chairman, Foreign Capital Evaluation Sub-Committee.

15. Whenever Myanmar C.P Livestock Company Limited brings in foreign capital defined under Section-2(h) of the Law, other than foreign currency in the manner stated in paragraph 14(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

16. After all types of foreign capital (foreign currency and other types of foreign capital) have been brought into Myanmar, a report shall have to be submitted to the Commission as prescribed, vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure(1)]

17. Myanmar C.P Livestock Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over-run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

18. Myanmar C.P Livestock Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. Hence, it shall observe the directive issued by the

Commission vide letter No. Ya Ka-1/139/94 (0440) dated 30-6-94 [Annexure(2)] to undertake all proper treatment systems and other necessary environmental control systems.

19. Myanmar C.P Livestock Company Limited shall follow the procedures prescribed by the Commission, vide letter No. Ya Ka-7/408/94 (0424) dated 29-6-94 [Annexure(3)] to expedite the clearance of imports of capital and inter-industry use goods brought in as capital investment and raw materials required during the initial 3-year operation period.

20. Myanmar C.P Livestock Company Limited, in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter VIII, Rule 15 of the Procedures relating to the Union of Myanmar Foreign Investment Law.

By Order,

Brig.-Gen Maung Maung
Secretary
(Minister at the Deputy Prime Minister's Office)

Mr. Adirek Sripratak
Myanmar C.P Livestock Company Limited
c/o Managing Director
Livestock, Feedstuff and Milk Product Enterprise

cc:
1. Office of the Chairman of State Law and Order Restoration Council
2. Office of the State Law and Order Restoration Council
3. Office of the Government of the Union of Myanmar
4. Deputy Prime Minister's Office
5. Ministry of National Planning and Economic Development
6. Ministry of Finance and Revenue
7. Ministry of Commerce
8. Ministry of Livestock Breeding and Fisheries
9. Ministry of Foreign Affairs
10. Ministry of Home Affairs
11. Ministry of Immigration and Population

12. Ministry of Labour
13. Chairman, Committee for Assisting the Myanmar Investment Commission (Governor, Central Bank of Myanmar)
14. Chairman, Foreign Capital Evaluation Sub-Committee (Director General, Central Equipment Statistics and Inspection Department)
15. Director General, Directorate of Investment and Company Administration
16. Director General, Customs Department
17. Director General, Internal Revenue Department
18. Managing Director, Myanma Foreign Trade Bank
19. Managing Director, Myanma Investment and Commercial Bank
20. Managing Director, Myanma Insurance
21. Director General, Directorate of Trade
22. Director General, Immigration and Manpower Department
23. Director General, Directorate of Labour
24. Chairman, Union of Myanmar Chamber of Commerce and Industry